CMS Manual System	Department of Health & Human Services (DHHS)
Pub 100-20 One-Time Notification	Centers for Medicare & Medicaid Services (CMS)
Transmittal 2179	Date: November 2, 2018
	Change Request 10580

SUBJECT: User Change Request (CR): ViPS Medicare System (VMS) Changes to Edit Dispensing and Supply Fee Codes Allowed when Related Drug Codes are Denied in Batch

I. SUMMARY OF CHANGES: This CR will implement VMS system changes to edit dispensing fees and/or supply codes currently allowed when related drug codes have been denied in the batch cycle.

EFFECTIVE DATE: April 1, 2019 - The effective date for VMS changes will be based on all processing that occurs following implementation.

*Unless otherwise specified, the effective date is the date of service.

IMPLEMENTATION DATE: April 1, 2019

Disclaimer for manual changes only: The revision date and transmittal number apply only to red italicized material. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.

II. CHANGES IN MANUAL INSTRUCTIONS: (N/A if manual is not updated) R=REVISED, N=NEW, D=DELETED-*Only One Per Row*.

R/N/D CHAPTER / SECTION / SUBSECTION / TITLE			
N/A	N/A		

III. FUNDING:

For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

IV. ATTACHMENTS:

One Time Notification

Attachment - One-Time Notification

Pub. 100-20 Transmittal: 2179 Date: November 2, 2018 Change Request: 10580

SUBJECT: User Change Request (CR): ViPS Medicare System (VMS) Changes to Edit Dispensing and Supply Fee Codes Allowed when Related Drug Codes are Denied in Batch

EFFECTIVE DATE: April 1, 2019 - The effective date for VMS changes will be based on all processing that occurs following implementation.

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IMPLEMENTATION DATE: April 1, 2019

I. GENERAL INFORMATION

A. Background: This CR will implement VMS changes to edit for dispensing fees and/or supply codes when related drug codes are denied in the batch cycle. This change is necessary since there is no process in the batch cycle to re-edit the claim, as it does in the online cycle, to ensure the related dispensing fees or supply codes are denied. Currently, payment is allowed on dispensing fees and/or supply codes. The Durable Medical Equipment (DME) Medicare Administrative Contractors (MACs) reviewed 132 claims with recent dates of service. Of those, 31 had dispensing fees or supply codes that should have been denied. Allowed amounts for these codes range from \$16.00 to \$57.00, depending on the type of drug and if the prescription is initial or subsequent. With these changes, line items would deny appropriately without the need to adjust claims and recouping overpayments.

B. Policy: N/A

II. BUSINESS REQUIREMENTS TABLE

"Shall" denotes a mandatory requirement, and "should" denotes an optional requirement.

Number	Requirement	Responsibility										
		A/B MAC					D M		Sha Sys			Other
					Е	M	aint	aine	ers			
		A	В	H H H	M A C	S	M C S		C W F			
10580.1	VMS shall deny the dispensing fee and/or supply code when a claim contains a drug code, which has been denied due to Medically Unlikely Edit (MUE), Accumulation File Number (AFN), Review Utilization Line Edit (RULE) or Duplicate logic, there are no additional drug lines allowed on the claim, and the 'From' date of service on the claim line containing the dispensing fee and/or supply code matches the 'From' date of service on the claim line containing the denied drug code.					S		X				
10580.2	VMS shall allow the dispensing fee and/or supply code when a claim contains a drug code which has been denied due to MUE, AFN, RULE, or Duplicate logic, there are additional drug lines allowed on the							X				

Number	ımber Requirement Responsibility									
			A/B MA(D M E		Sha Sys aint	tem		Other
		A	В	H H H	_	F	M	V	C W F	
	claim with a 'From' date of service which matches the 'From' date of service on either the claim line containing the dispensing fee or the denied drug code, and the 'From' date of service on the claim line containing the dispensing fee and/or supply code matches the 'From' date of service on the claim line containing the denied drug code.									
10580.2.1	VMS shall suspend the claim when the number of allowed dispensing fees and/or supply codes exceeds the number of allowed drug codes.							X		
10580.3	VMS shall ensure existing processing where a claim contains a drug line that has split due to AFN logic continues to process as it does prior to the implementation of these changes.							X		
10580.4	DME MACs shall add the procedure codes for dispensing fees and supply codes to the VMS Automated Parameter (VMAP) Claims Parameters (4C) - LIKE PROCEDURE CODE GROUPS table.				X					

III. PROVIDER EDUCATION TABLE

Number	Requirement	Re	Responsibilit			
			A/B MA(D M	C E
		A	В	H H H	E M A C	D I
	None					

IV. SUPPORTING INFORMATION

Section A: Recommendations and supporting information associated with listed requirements: N/A

[&]quot;Should" denotes a recommendation.

X-Ref	Recommendations or other supporting information:
Requirement	
Number	

Section B: All other recommendations and supporting information: N/A

V. CONTACTS

Pre-Implementation Contact(s): Stacey Shagena, 410-786-8208 or Stacey.Shagena@cms.hhs.gov , Kay Curry, 410-786-1801 or Kay.Curry@cms.hhs.gov

Post-Implementation Contact(s): Contact your Contracting Officer's Representative (COR).

VI. FUNDING

Section A: For Medicare Administrative Contractors (MACs):

The Medicare Administrative Contractor is hereby advised that this constitutes technical direction as defined in your contract. CMS does not construe this as a change to the MAC Statement of Work. The contractor is not obligated to incur costs in excess of the amounts allotted in your contract unless and until specifically authorized by the Contracting Officer. If the contractor considers anything provided, as described above, to be outside the current scope of work, the contractor shall withhold performance on the part(s) in question and immediately notify the Contracting Officer, in writing or by e-mail, and request formal directions regarding continued performance requirements.

ATTACHMENTS: 0